

Additional COD System Changes – July 2016 **Attachment to June 2016 Electronic Announcement**

This document highlights the COD System changes we will implement on July 9, 2016. We cover the information in the following order:

- Changes Impacting All Programs
- Changes Impacting the Direct Loan Program

Changes Impacting All Programs

The following changes will impact the COD System processing of Federal Pell Grant (Pell Grant), Iraq and Afghanistan Service Grant, Teacher Education Assistance for College and Higher Education (TEACH) Grant, and William D. Ford Federal Direct Loan (Direct Loan) awards.

New Experimental Sites for 2016-2017 and Forward

The Department of Education has approved select schools to participate in one or more new experiments under the Experimental Sites Initiative (ESI), as authorized by Section 487(b) of the HEA. There were seven new experiments approved under the ESI and will require a change to the COD System.

Beginning July 9, 2016 we will modify the COD System to recognize the schools approved to participate in these seven experiments. The COD System will use different business rules for processing awards submitted by schools participating in such experiments.

Changes Impacting the Direct Loan Program

The following changes will impact the COD System processing of Direct Subsidized Loan, Direct Unsubsidized Loan, and Direct PLUS Loan awards.

“Records First” Field Added to the COD Web Site

If a school is Records First, it does not receive an initial authorization for the Direct Loan Program. Instead, these schools receive funding increases based on actual disbursement records that are submitted to and accepted by the COD System.

Currently, all foreign schools and any school on Heightened Cash Monitoring status are Records First. In some cases, we may place other schools on a Records First status. Beginning July 9, 2016, any Advance Funded school can request to be Records First by contacting the COD School Relations Center. Whenever a school becomes Records First, Federal Student Aid - Funds Management Division will contact the school to further discuss the new status.

Note: Record First status is award-year specific. As a result, a school may be Advance Funded for one award year and Records First for a different award year.

In addition, beginning July 9, 2016, we will add “Records First Status” and the “Records First Status Date” fields to the COD Web site on the School General Information page. The “Records First Status” field will indicate a school’s status (Mandatory, Voluntary, Removed, or Other). The “Records First Status Date” field will indicate the date the status field is updated. Both fields will be:

- view-only for schools and third-party servicers.
- blank for all schools until Federal Student Aid updates it for the first time.

A “Records First Status Change” event will be created when there is an update to the “Records First Status “and will be viewable on the School Events Details page.